

**PLANNING COMMISSION – SPECIAL SESSION
COMMISSIONER’S HEARING ROOM, COUPEVILLE, WA
MONDAY, FEBRUARY 23, 2015**

	<i>Members Present</i>	<i>Members Absent</i>
<i>District 1</i>	<i>Val Hillers – Chair</i>	
		<i>Dean Enell</i>
	<i>Karen Krug</i>	
<i>District 2</i>	<i>Jeffery Wallin</i>	
		<i>George Saul</i>
		<i>Vacant</i>
<i>District 3</i>	<i>Wayne Havens</i>	
		<i>Beth Munson</i>
		<i>Scott Yonkman</i>

Meeting was called to order at 2:11 p.m. by Chair Hillers.

ROLL CALL

Wayne Havens, Karen Krug, Val Hillers, Jeff Wallin

Minutes:

None

Planning staff present: Dave Wechner – Planning Director, Brad Johnson - Long Range Planner, Amanda Almgren – Long Range Planner

ITEMS FROM THE PUBLIC

Garrett Newkirk, 170 West Frostad Rd, Oak Harbor

Mr. Newkirk wanted to know if this overall process being done in part of the e-mail that was sent out by the Planning Department was specific to agricultural lands to be targeted for wetlands as part of the wetland mitigation. He would like to know what specific parcels of agricultural lands are being targeted, as to identify them as wetlands. There is another part in the Growth Management in the Buildable Lands Analysis that states that it would remove 20 conservation easements from North Whidbey. He would like to know what specific parcels and what specific lands have already been removed from the buildable lands analysis document. With the APZ zoning in North Whidbey, it has rendered most properties unusable, unbuildable to any type of business that could be done. A single family dwelling can be done but there used to be short plats that were turned into long plats, took quite a few lands to make one huge parcel that is now unbreakable. They have tried to divide some parcels and were denied to divide those parcels by the County.

Commissioner Hillers asked staff to please respond to Mr. Newkirk in writing since his questions seem to have specific answers. She clarified that she asked staff to include the items that have the conservation easements into the analysis. She presumes those are lands that already have development rights that are no longer associated with that property and have been sold to the land trust or another entity.

Mr. Newkirk stated he would like to know which specific parcels have been removed on North Whidbey. Twenty parcels is pretty considerable in North Whidbey when basically in the specific area where he knows conservation easements have been bought, there is no way there are 20 parcels. He would like to know specifically when it says North Whidbey, how far does the boundary line go.

Commissioner Hillers informed Garrett staff will get answers to his questions.

Lou Malzone, 5428 Pleasant View Lane, Freeland

Commissioner Freeland Water and Sewer District

Mr. Malzone wanted to bring the Planning Commission up to date on the status of the water district. They have received from their engineers an amendment to the Freeland Comprehensive Sewer Plan that would hopefully be completed by June, which will bring the comprehensive sewer plan of Freeland in line with the reduced NMUGA that is being discussed with the Buildable Lands Analysis. Phase I of the plan will be totally within the study area and it is also entirely in the existing NMUGA so it is not going to be in conflict. The update to the Comprehensive Plan will effectively modify the Freeland Subarea Plan as far as the NMUGA boundary is concerned if the reduction to the NMUGA boundary is affected with the update of the Comprehensive Plan.

Brad responded Mr. Malzone's comment was correct. The Freeland subarea will be modified and if the Board moves forward with reducing the Freeland NMUGA boundary would necessitate a change to the subarea plan. Any sort of phasing of development necessary to bring development in line with the availability of public services such as sewer and water.

Mr. Malzone continued he was hoping to be able to notify the Planning Commission that they have a signed agreement for the purchase of a piece of property to put a new sewage treatment plant in but the seller of the property has the contract in review with his attorney and hope to have it finalized this week. If the plans go as expected they can anticipate the construction of the sewer plant during the fourth quarter of 2016 or early 2017. Part of the purchase agreement is that they will not buy the property unless the property is suitable for the site and they can get their permits. Helen Price-Johnson arranged a meeting with the water district and Norma Smith. The document presented to the Planning Commission is the document Representative Smith will present in Olympia. The Sewer District has been in contact with Department of Ecology (DOE). There are two major issues facing Freeland, the first is complying with the Growth Management Act and putting in an infrastructure according to that; the second is a buildup of nitrogen infiltration in the drinking water. There is a water quality issue, which also gives them ability to get grant money to resolve that issue. Phase I basically encompasses the area of the commercial core and a lot of the grant money is not available for commercial development, it is basically to alleviate the cost to existing residential development. A drinking water issue opens up the ability to protect the water source for everyone through a grant. Enough progress has to be demonstrated in order to protect the grant.

DIRECTOR'S REPORT

Dave Wechner wanted to remind the public, when there is no quorum; there is a public meeting or a workshop where something is not on the agenda for a hearing it does not qualify as testimony. The Planning Commission keeps minutes and there is a tape, it certainly counts as influence and opportunity for public comment to the Planning Commission. When public hearings are held that is the time to make testimony on the record since it then counts as part of the legislative record for any action that the Planning Commission or the Board takes. There is a distinction between those two things.

Dave presented an overview of the Planning Director's Report:

- Development review/Code enforcement
 - Development activity – Building/Planning permit revenue this first month of 2015 is down 4% in the Building and up 8% in Planning compared to last year. Currently we have 171 land use permits in review; 47 submitted in the last month.
 - Current use Planning Manager starts the 19th and Long Range Planner starts the 2nd of March.
- Long Range Planning
 - Comp plan Update website is live: 'Island County 2036'. Survey is posted, notification of website and survey going out to taxpayers in the Treasurer's statement.
 - Planning is reviewing contract details for Critical Areas Ordinance – will go to Finance and Legal for contract review once complete.
- Building
 - New housing starts: Housing starts for January 2015 were 10 compared to 11 for January 2014. Total yearly starts for 2014 – 188 compared to 168 for 2013.
 - Building Inspectors are attending training sessions in March to stay current on Code.
 - Staff has had further contact and submitted analysis of local conditions to FEMA recently in response to the flood-hazard working maps. Public meetings originally anticipated for March are more likely to be in May.
- Strategic Planning/Office Management
 - Water leak from the jail fixed no real damage to report. Staff office moves being completed to accommodate moves from other facilities and new staff. Thanks to Facilities and IT for responsiveness in clean-up, plumbing expertise, moving computers, etc.
 - Hearing Examiner RFP received responses – will negotiate new contract. Seeking Board input. An item Dave may be proposing to the Board is in the event the Hearing's Examiner is not available due to illness or simply being unavailable, the Planning Commission may be sitting in a quasi-judicial seat in the absence of the Hearing's Examiner, if a hearing needs to be held. It is a fairly typical code provision in other county codes in the absence of the Hearing's Examiner; the Planning Commission takes over those decisions. It is a much different than the legislative decisions and policy making that they normally do but it is a role that they may be asked to fulfill.

Commissioner Hillers asked Dave Wechner when the Planning Commission may expect to deal with what would be included in the 2015 Docket.

Dave responded to Commissioner Hiller's question for the docket discussion. Planning did not receive any private applications for annual review this year. There was a proposal that was sent to Commissioner Krug which she then forwarded to the Planning Commission at the January meeting. It was not recognized, her intention was to consider as an agenda item for the next meeting; Commissioner Krug was new on the Planning Commission at that time and did not recognize that she needed to ask for the proposal to be included on this month's agenda. He proposes that consideration of the proposal as a possible Annual Review Docket item be moved to March 9th.

Commissioner Hillers asked if the Planning Commission can make the motion without a quorum.

Dave responded to Commissioner Hillers setting the agenda for a meeting is at the discretion of the Chair.

Commissioner Hillers as the Chair of the Planning Commission added the item to the agenda for March 9, 2015.

NEW BUSINESS –

FEMA Discussion related to the new maps to be agendized to March 9, 2015 at 2:00 p.m.

Brad Johnson began the meeting stating the Planning Department had intended on presenting three items for discussion and planned on asking for recommendation on the revised and updated Countywide Planning Policies. Due to not having a quorum present staff respectfully request that the discussion be continued to the March 9, 2015 meeting. The three items to be discussed are the following:

- Status of 2016 Comprehensive Plan Update.
- Presentation of final Buildable Lands issue paper.
- Presenting the final staff draft of the Countywide Planning Policies.

With respect to the Comprehensive Plan Update, on March 20, 2015 the Board of Island County Commissioners approved the Public Participation Plan and Preliminary Schedule for the Comprehensive Plan Update. That schedule established the timelines, which were subsequently revised in July of 2014. Importantly that schedule divided the Comprehensive Plan Update Project into two distinct phases. Phase I was a review, analysis and information gathering stage and Phase II was intended to be an implementation to discuss changes to the Comprehensive Plan and Development Regulations. At the end of Phase I it was envisioned that the Planning Department would present to the Planning Commission and Board of County Commissioners their findings and a list of changes organized along the line of those changes which are required by law that Island County must make; changes which are strongly recommended as well as discussion of any optional changes to the plan and regulations. It was staff's intent that based on that report that the Planning Commission and the Board would then decide on a formal scope to the Comprehensive Plan as well as identify changes they would like to see the Planning Department work on. He is pleased to report that most of the tasks have been

completed in Phase I. Specifically four of the six tasks identified in Phase I are entirely complete including Task 1 – Public Participation Plan and Preliminary Schedule, Task 2 – 20 Year Population Forecast, Task 4 – The Regional Population Allocation and Preliminary UGA Allocations and Task 5 – The Buildable Lands Analysis. Of the two remaining tasks, Task 3 – Countywide Planning Policies will be discussed in this meeting. Staff has completed the bulk of their work and this item is now being presented to planning commissions and elected officials in each of the effected jurisdictions. As Dave mentioned in his Planning Director's report the Public Outreach efforts are still being continued. The website is up and running and the survey is online and staff has been getting results from people taking the survey. Sometime in the next month or so, there will be a mailer sent in the Assessor's Annual statement that will go to every property owner in the County. It will include an announcement of the survey website and just a general discussion of the project. He also reminded the Planning Commission of the survey that was sent to them and to e-mail their responses to Virginia Shaddy.

Commissioner Krug asked when the Treasurer is sending out the survey, will the survey be available to those that do not work with computers and can they get a hard copy of survey.

Brad responded the survey is a Survey Monkey and is an online system. The public can send written comments to the Planning Commissioners and the Planning Department. There will be Public meetings staff will be hosting in each of the planning areas. There will be multiple methods for people to engage in.

Mr. Johnson gave a recap of the Buildable Lands Analysis. There were a number of minor typos Commissioner Hiller's has identified and staff will get them addressed. From a substantive standpoint the work has been completed and will be using it to inform future decisions.

Commissioner Hillers summarized Commissioner Enell's e-mail comments he submitted since he would not be able to attend the meeting. His concern is the percent of new residents that will be allocated to rural areas in South Whidbey. He has mentioned this before and he is still concerned. For South Whidbey, Langley has 39 housing units listed and Freeland 61. He also talks about South Whidbey accommodating 20, 400 additional residents over 3657 housing units. She knows Dean is concerned that it appears that most of the growth on South Whidbey is going to the rural areas.

Brad clarified the Buildable Lands Analysis assumed a baseline number and that was the number that was included in the Planning Commission's recommendation and the Board's resolution on the regional allocations. The baseline was established based on 20 or 30 years' worth of trends in South Whidbey. That percentage of growth, urban versus rural has remained fairly constant over time. During a subsequent step in Phase II of the update as identified in the schedule in the Public Participation Plan be discussing final Urban Growth Area modifications. At that point the Planning Commission and Board of Commissioners will be presented with a choice on whether or not they want to take steps to increase the share of growth occurring within Urban Growth Areas and as a corresponding measure decrease the percentage of growth in rural areas. He thinks it is important to note that particularly with respect to South Whidbey; it appears a lot of the growth is driven by people that are moving here specifically to live in a rural area. It will be important for both the Planning Commission and the Board to keep in mind that the effectiveness

of those measures might be affected by that. In other words, what may be seen is not a shift of growth from rural to urban areas but rather a declining growth overall as a result of those measures. It will ultimately be a balancing act between how significant measures the Planning Commission and Board want to implement to effectuate that shift and how they feel that shift will be. The purpose of the Buildable Lands Analysis was two-fold, one is a specific GMA requirement and that is to ensure the County's Urban Growth Areas are adequately sized to accommodate 20 years of population and employment growth. The second reason the analysis was conducted and the reason rural areas were included was to help guide future discussions on the impacts of the rural land use policies. Potential environmental effects can be gauged; effects to supply of water, transportation and infrastructure requirements, there are really two very distinct purposes whether the discussion is about Urban Growth Areas or the rural areas. The staff conclusions were that each of the County's Urban Growth Areas contains enough land for 20 years of population and employment growth, the one exception is Coupeville which does not appear to have an adequate supply of commercial land. Staff is currently in the process of discussing this issue with the Town of Coupeville. Coupeville has a unique circumstance and position under the Growth Management Act due to the fact they are surrounded by the Historic Preserve, they are not required to adjust their urban growth area or change the densities allowed within their UGA to accommodate that as another urban growth area would be. The Town of Coupeville Mayor has expressed some interest in making changes to their plan and regulations to accommodate that growth. As Mr. Johnson previously alluded to there will be that subsequent step in September when the Board and the Planning Commission make decisions on the Urban Growth Areas and whether they want to increase the share of growth. Under even the largest shift of growth the calculations indicate that each of the UGAs is large enough to accommodate that share. It will not be necessary to make any changes although, in Langley's case, they have indicated their desire to shrink their UGA and in respect to Freeland, there have been circumstances that may necessitate that. Changes will likely occur but he does not think there would be any required expansions.

Public Hearing and deliberation on Draft Countywide Planning Policies.

Brad Johnson informed the Planning Commission, staff has prepared a draft of the Countywide Planning Policies. The document was prepared over the course of approximately two years with the cooperation of the other jurisdictions in the County and is now being presented to the planning commissions in Island County. Staff would like to answer any questions the Planning Commission may have about the document and continue the hearing until March 9, 2015.

Amanda Almgren made a presentation on the process for assigning Joint Planning Area designations. In the past there have been some questions regarding the Joint Planning Areas designation process described in Section 3.2 of the revised Countywide Planning Policies. Staff has put together a series of maps to help illustrate the process.

Joint Planning Areas Land Designations



2

Basically the CWPPs lay out three land use designations to be used in the JPA; Lands of Long Term Rural Significance, areas for potential future growth of the UGA and a category for lands that do not clearly fall in each of the first two. The other classification is an acknowledgement that not all lands within the JPA need to be designated right now, but may in the future be designated. We envision this process starting by assigning the LRS parcels based on the criteria, then the PFG area, and as long as there is adequate land in these designations, leaving the remainder as other.

Designation Criteria

Long Term Rural Significance	Potential Growth Area (PGA)
<ul style="list-style-type: none">• Land extensively constrained by critical areas• Land zoned Commercial Agriculture, Rural Agriculture and Rural Forest• Land identified through a collaborative process between the County and municipality	<ul style="list-style-type: none">• Land already characterized by Urban Development• Land that is logical and cost effective to provide with city services• Land identified through a collaborative process between the County and municipality

3

Section 3.2 of the CWPPs includes some specific criteria for designating lands. Land will first be designated according to the criteria, and then a collaborative process will take place between the County and affected jurisdiction.

Island County

Urban Growth Area Boundaries

Legend

- City Limits
- Urban Growth Area
- Joint Planning Area
- Non-Municipal Urban Growth Area
- Future Growth Planning Area

Inset #1: City of Oak Harbor

Inset #2: Town of Coupeville

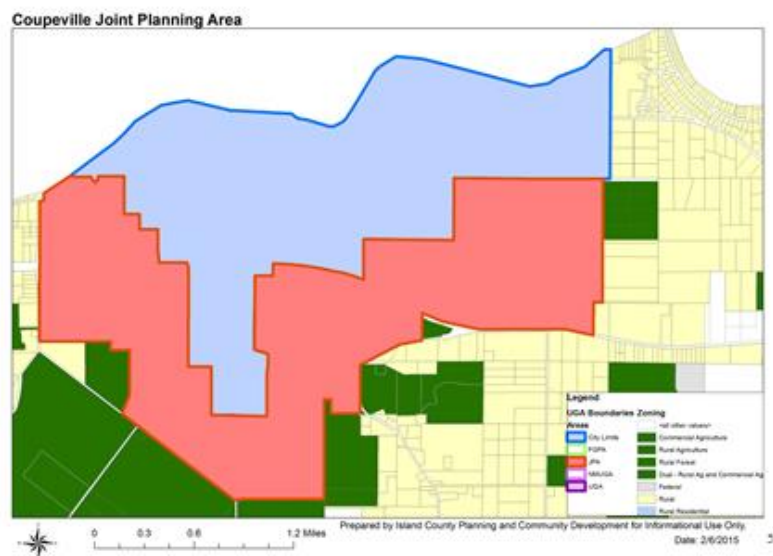
Inset #3: Freeland NMUGA

Inset #4: City of Langley

Miles

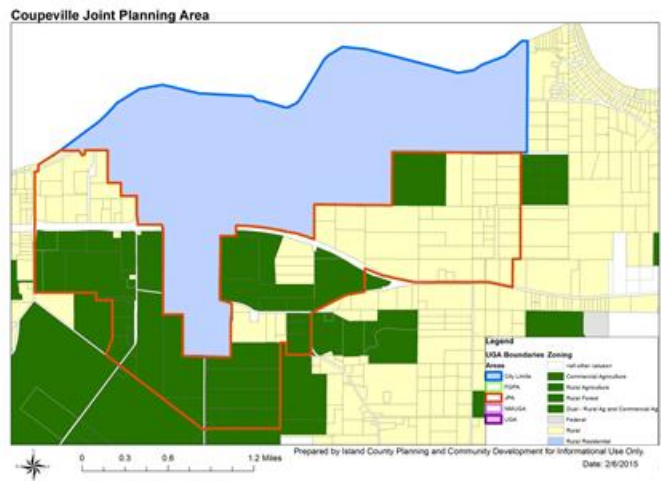
0 0.5 1 1.5 2

Coupeville JPA



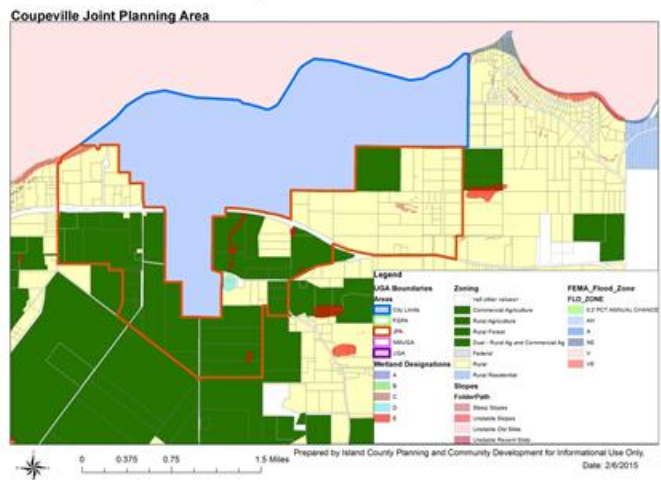
Island County Planning Commission
February 23, 2015
Page 8 of 13

Coupeville JPA Zoning



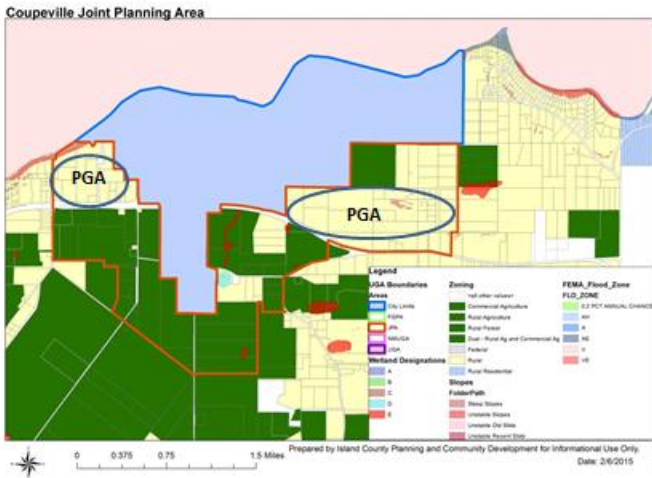
Taking a look at the zoning the JPA, the green areas are all of the zones that are called out in the CWPP as being Long term rural significance. This includes Rural Agriculture, Rural Forest and Commercial Agriculture.

Coupeville PGA



Next the critical areas layer is added to determine parcels that are extensively constrained by critical areas. This analysis would include wetlands, streams, steep or unstable slopes and flood areas.

Coupeville JPA Critical Areas



Just a few areas are left in the JPA that are candidates to be reserved in case there is a need for future growth of the UGA. The idea being, that when or if a jurisdiction needs to expand their UGA, following the process described in the CWPPs and it will then be expanded into the areas that are reserved for Potential Future Growth.

After this initial designation process is completed by the County, maps will be created and shared with the jurisdiction for their input on the results and any additional areas they would like to designate.

Brad stated the main purpose of the PGA, Lands of Long Term Rural Significance is to plan for where Urban Growth Area expansions would occur in the future and where they would not. It is not intended to change anything besides those two factors.

Commissioner Hillers asked if staff has been working with the other municipalities to create these maps.

Amanda stated staff has worked with the municipalities on developing the criteria and designations. The maps are just being developed, once they are complete, they will be shared with the municipalities and come to a logical agreement on them.

Brad added the Countywide Planning Policies contain the procedures for establishing the JPAs but they do not actually establish them. The reason for that is that they will not know where the JPAs are until the Urban Growth Areas have been identified, which is the step that was being discussed with respect to Commissioner Enell's question that will occur in September. Once the Urban Growth Areas are firmed up then staff will enter into discussion with the municipalities draft maps reflecting each criteria and then iron out the details.

Commissioner Havens stated there is all this long term planning, yet there is one thing that is needed for growth and that is water. He can only speak for Camano and asked staff if anyone has thought for long term planning about bringing water onto Camano Island.

Brad responded to Commissioner Havens' question and he has three answers with respect to his specific question about whether or not anyone has had that discussion he is not sure, there were discussions at one point with Snohomish PUD about providing water service on Camano. He also said it might be helpful particular with the Comp Plan when discussing the rural growth policies, in the County Health Department there is a hydro geologist that works specifically on the County's ground water management plan; since that will be a huge component staff can arrange to have him give a presentation to the Planning Commission if they are agreeable to that.

Commissioner Havens stated the County should look into bringing water to see if there would be available. He cannot speak for Whidbey Island since they do have water coming in but Camano does not. Without water there is nothing. He urges with this long term planning, there should be a look into water availability.

Commissioner Hillers added she would be interested in having Doug Kelly make a presentation.

Brad also added two things, in the rural development policies in the Countywide Planning Policies on page 15, Policy 3.5.3, specifically says in considering the rural land use policies, the counties need to consider known and/or verifiable water supplies. The idea there is before additional growth or allowed new growth, the County makes sure that the people who already own property, the residents of the County, that their water rights and ability to continue living here is maintained. As part of the Critical Areas Update the contract Dave was speaking about earlier, one of their charges is to look at the existing groundwater management policy and what that looks like for the future.

Commissioner Hillers had a question regarding page 14,11A, Urban Holding, it is not reflected in the definitions and she is asking if it should be added.

Brad responded to Commissioner Hillers it was not in the definitions and it will be designated in the definitions. It is a very limited designation and it only applies to a few areas outside of Oak Harbor where there are existing urban development that has not yet been annexed. The specific concern by the City of Oak Harbor is that borrowing County land use policies that make new development in those areas makes it very difficult for them to get annexation. The general framework of the GMA in the County's direction is to get those areas annexed because the County is not in the position to be providing urban services such as public sewer and water, streets built to urban standards, police and fire protection. It is in the interest of both jurisdictions from a physical land use standpoint to encourage annexation.

Commissioner Hillers stated items 5 and 6 under Urban Development the wording is awkward. It probably needs to be clarified that urban growth is inappropriate in rural areas.

Amanda said she went back and looked at the marked up copy and it looks like it was phrased differently and too many words may have been deleted.

Commissioner Havens wanted to ask if increasing the size of rural properties from five to ten acres, to him does two things; it drives the property values up so many people cannot afford them and people have purchased properties in the past to increasing from 5 to 10 acres, will increase

cost and many will not be able to afford the land. This will take money away from people. He stated he wanted to make sure this issue was not in the document presented to the Planning Commission.

Brad confirmed there was nothing in the policy changes that would require changes to the County's Zoning Regulations.

Commissioner Hillers commented she was pleased with the Planning Policies, they feel like they express the direction they want to be going and the things that have been touchy have been addressed and thought through.

Commissioner Hillers reminded the public this is not an official public hearing and it would be best to wait until the hearing has been opened for public testimony.

Dave Wechner stated in order to be in the official public record comments would be best made in the Public Hearing. If Planning Commission would like to entertain comments, staff can make notes of there are changes. Sewer District Commissioner Malzone pointed out a definition of Rural Centers; it is mentioned on page 19. Those types of comments would be welcomed at this point. Without a quorum a public hearing cannot be opened. At the end of the meeting the public hearing will need to be agendized to be held on March 9, 2015.

Commissioner Hillers informed the public that a written comment can be submitted for the Planning Commission's consideration.

Director Wechner stated a written testimony is taken in advance of a hearing; the request may be made the testimony be heard or recognized during the hearing portion when the hearing is actually opened. Staff does make a point to acknowledge those letters that have come in prior to the hearing and read them into the record.

PUBLIC COMMENT

Garrett Newkirk, 170 West Frostad Rd, Oak Harbor

Mr. Newkirk asked how the Planning Commission and staff is indicating the Rural Significant Agricultural Lands due to the fact that some families have been here for over a hundred years and consider their family land as their retirement plan. If they are not allowed to divide that property or sell parts of that property or even develop it, their economic growth is being stifled. He would like to know what criteria the County is going to set forth for Rural Significant Agricultural Lands or what is considered rural significant in that part of the UGA. He urges the Planning Commission to reiterate by adding the APZ zone back on the docket; if they are going to do the rural significant they might as well chop everything north of Ault Field Road off of the map. There will be thousands of acres affected.

Commissioner Hillers asked Amanda Almgren to please go over the criteria again.

Amanda mentioned staff is only designating lands that are only within the JPA. , which are the areas that are surrounding the current UGA. Staff is not discussing making any designations outside of those areas. There are certain zones where if the property is currently zoned

commercial agriculture, rural or rural forest, it is receiving a tax deduction. If the property is receiving that tax deduction because it is in that zoning category it will be considered of long term rural significance.

Brad also stated those were designations that were established in the Comprehensive Plan that was developed between 1994 and 1998. The JPA designations did not change the underlying zoning.

Lou Malzone, 5428 Pleasant View Lane, Freeland

Mr. Malzone commented it is extremely important to read the documents. When moving to the public comment period the documents are extremely valuable for him as a commissioner to address his constituents when they ask him what the County is doing and what does it mean to them; and he is able to direct them right back to the wording in the document. This is a long range plan and this is how it all fits in.

Chair Hillers agendized the Elections of Officers, the request that came through Commissioner Krug, FEMA discussion and the public hearing and deliberation on Draft Countywide Planning Policies to the March 9, 2015 meeting at 2:00 p.m.

Commissioner Havens moved to adjourn, Commissioner Krug seconded, motion carried unanimously.

Meeting adjourned at 3:20 p.m.

Respectfully submitted,

Virginia Shaddy